1. **Objective**

Ensure efficient and effective administrative steps related to the collection of revenues through management of financial resources in order to minimize provisions for bad debts and avoid the risks for loss.

2. **Definitions**

2.1 **Customer**

The person or organization transacting with the University.

2.2 **Accounts receivable**

The accounts receivable by Saint Paul University.

2.3 **Provision**

An accounting measure which applies mainly to bad debts. The provision does not relieve the customer of the payment obligation and does not radiate the debt.

3. **Rules**

This regulation applies to all customers who received a service or acquired property from the University as well as to the University’s service providers. It establishes a framework to regulate business transactions made on credit with a client.

4. **Accounts receivable management**

In all instances where a service is provided to an external client for the purpose of generating income, the following process is required:

4.1 The University service completing the sale of services or material submits a billing request to Financial Services with supporting documents.

4.2 Financial Services will register the invoice and send the original to the customer.

4.3 Financial Services sends a statement of account for unpaid bills over 30 days to the customer.
4.4 Financial Services begins the accounts receivable process:

- second statement of account
- contact with customer
- letter referencing obligation to pay

4.5 Financial Services then proceeds with the provision of accounts receivable once a year as follows:

- more than 180 days – 50%
- more than 365 days – 100%

4.6 Once a year, Financial Services prepares a proposal to write-off accounts receivable of more than two years, for approval by the Board of Governors.